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TO:

Matthew Cohn

USEPA

303-312-6953

NAME

COMPANY/FIRM

FAX NUMBER

Denver

CO

303-312-6853

CITY

STATE

(TELEPHONE NUMBER)

FROM:

Robin Main

401-824-5102

NAME

TELEPHONE

TOTAL PAGES (Including Cover Sheet)

FOR THE RECORD:

DATE: June 3, 2005

URGENCY: ☐ SUPER RUSH☐ RUSH ☐ REGULAR

FAXED BY:

FILE #: 045013-00050

CLIENT NAME: LaQuinta

CONFIRMED: ☐ YES ☐ NO

NAME:

TIME:

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MESSAGE:

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Robin Main
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June 6, 2005

VIA FAX 303-312-6953

Matthew Cohn
United States Environmental Protection Agency
Region VIII
Legal Enforcement Program
999 18th Street, Suite 500
Denver, CO 80202

Re: Vermiculite Intermountain Superfund Site

Dear Matt:

I am in receipt of your letter regarding EPA's proposed framework for a global settlement on the Vermiculite Intermountain Superfund Site/LaQuinta property matter. While LaQuinta does not waive any defenses it may have, including, but not limited to, the innocent landowner defense, LaQuinta wishes to obtain further information so that it may evaluate its position regarding the Site more thoroughly, particularly in regard to cost. To this end, please note the following issues:

1. As has been discussed previously, LaQuinta purchased its property from the Van Cott Trust and Michele E. Scott, Robert F. Edwards, Jr., Kathryn Edwards Robinson and Kerry Edwards (the "Edwards Family"). To date, however, the Edwards Family has never been noted as a PRP. Has EPA made a decision not to include the Edwards? If so, LaQuinta would like to know the basis therefor. It is LaQuinta's position that the Edwards Family should be considered for PRP status at the Site and take part in the cost of the cleanup. As shown in LaQuinta's 104(e) Response dated April 2, 2004, the contact information for Robert F. Edwards is 1565 Adrian Road, Burlingame, California 94010. Please see relevant part of 104(e) response attached hereto. Indeed, fair settlement negotiations are not possible without the evaluation of the Edwards' position.
2. LaQuinta disagrees that an orphan share is not available for the Vermiculite Intermountain portion, particularly because LaQuinta does not have any relation to that entity. To preclude the assignment of an orphan share causes undue hardship and prejudice to LaQuinta. LaQuinta asks that EPA reconsider an

Matt Cohn
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orphan share. Indeed, during our last substantive telephone conversation, you told me that an orphan share for this Site may be available. At that time, Vermiculite Intermountain's so-called affiliation with other parties was known and, thus, we question why a change in position on the orphan share now has occurred.

3. Please provide information on EPA's pursuit of response costs from the W.R. Grace bankruptcy. What is the amount of EPA's claim in the W.R. Grace bankruptcy and has it been increased as was discussed in a previous conference call? Also, does EPA know the likelihood of receiving any money from the W.R. Grace bankruptcy and, if such receipt of money is possible, the timing for the same?
4. As to the response costs associated with the Frank Edwards Building, are the total past response costs \$500,000 or \$1,000,000? In your May 26th letter, you suggest that the Van Cott Trust and LaQuinta each pay one half of the past response costs associated with the Frank Edwards Building (approximately \$500,000). It is not clear whether the total past response cost are \$500,000 or \$1,000,000. Please clarify.
5. Finally, and very importantly, LaQuinta requests that EPA provide it with any and all information it has regarding the amphibole asbestos (or tremolite asbestos) contamination on the property and EPA's estimate of cleanup costs associated therewith.

Again, as stated above, LaQuinta, by sending this letter, does not in any way agree at this time to settle this matter or waive any of its defenses. Nevertheless, acting in good faith, LaQuinta wishes to pursue certain questions that it has on the Site. This list of questions is by no means exhaustive and LaQuinta may have further questions as this matter proceeds. Thank you for your prompt attention to these important issues. I look forward to hearing from you at your earliest convenience as it is very important to LaQuinta that action on this matter continue. LaQuinta will provide information on when its representatives are available for a conference call.

Sincerely yours,

HOLLAND & KNIGHT LLP


Robin Main

cc: LaQuinta Representatives

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La Quinta

Inns · Inn & Suites

COPY

Scott V. Williams
Vice President and Asst. General Counsel
Telephone: (214) 492-6719
Facsimile: (214) 492-6500

April 2, 2004

Via FedEx

U.S. Environmental Protection Agency
Attn: Kelcey Land, Enforcement Specialist, ENF-RC
999 18th Street, Suite 500
Denver, CO 80202-2466

Re: Response of La Quinta Properties, Inc. to Request for Information Pursuant to Section 104 of CERCLA for the Vermiculite Intermountain Site (#08-GA) located in Salt Lake City, UT

Ladies and Gentlemen:

This letter provides the responses of La Quinta Properties, Inc. ("La Quinta") to the referenced Request for Information. The number of each paragraph below corresponds to the number of the question in the Request for Information.

1. Scott V. Williams
909 Hidden Ridge, Suite 600
Irving, TX 75038
Telephone: (214) 492-6719
Facsimile: (214) 492-6500
2. Scott V. Williams
909 Hidden Ridge, Suite 600
Irving, TX 75038
Telephone: (214) 492-6719
Facsimile: (214) 492-6500
3. La Quinta Inns, Inc., a Texas corporation, acquired certain real property and improvements (the "La Quinta Property") on May 7, 1998 from the Van Cott, Bagley, Cornwall & McCarthy Profit-Sharing Trust and on June 30, 1998 from Michele E. Scott, Robert F. Edwards, Jr., Kathryn Edwards-Repka, now known as Kathryn Edwards Robinson, and Kerry Edwards. Of the foregoing sellers, La Quinta has only the following addresses:
 - 1) David E. Salisbury, Stephen D. Swindle and Jerry L. Brown, Trustees of the Van Cott, Bagley, Cornwall & McCarthy Profit-Sharing Trust, 50 South Main Street, Suite 1600, P.O. Box 45340, Salt Lake City, Utah 84145-0340



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2) Robert F. Edwards, 1565 Adrian Road, Burlingame, California 94010

The La Quinta Property is comprised of the parcels of land described in the deeds by which La Quinta acquired the La Quinta Property (deeds are attached hereto as Exhibit 1). The current owner of the La Quinta Property is La Quinta Properties, Inc., a Delaware corporation. La Quinta Properties, Inc. is the successor by merger to Meditrust Corporation, which was the successor by merger to La Quinta Inns, Inc., a Texas corporation.

4. To the knowledge of the undersigned, no.
4. La Quinta currently leases the parking lot portion of the La Quinta Property to Ampco System Parking pursuant to the lease agreement attached hereto as Exhibit 2. The contact information for Ampco System Parking is: Scott Snow or Stephen E. Long, Ampco System Parking, 175 S. Main Street, Suite 250, Salt Lake City, UT 84111.
5. Not applicable.
6. No, La Quinta acquired the La Quinta Property through a purchase transaction.
7. Not applicable.
8. La Quinta obtained two owner's policies of title insurance in connection with La Quinta's acquisition of the La Quinta Property. A copy of each owner's policy of title insurance is attached hereto as Exhibit 3. The undersigned was unable to locate a copy of a title search, but a title search may have been obtained in connection with the issuance of the owner's policies of title insurance. A chain of title report was obtained as part of the Phase I Environmental Site Assessment obtained by La Quinta (see Response No. 9 below). To the knowledge of the undersigned, La Quinta did not obtain an appraisal of the La Quinta Property in connection with its acquisition.
9. To the knowledge of the undersigned, prior to La Quinta's purchase of the La Quinta Property, La Quinta contracted with a third-party company to conduct the following environmental site assessments:
 - a. Phase I Environmental Site Assessment dated July 21, 1997 prepared by Western Technologies, Inc.
 - b. Limited Phase II Site Characterization dated August 8, 1997 prepared by Western Technologies, Inc.
 - c. Groundwater Characterization dated October 7, 1997 prepared by Western Technologies, Inc.

A copy of each of the referenced environmental site assessments is attached hereto as Exhibit 4. The referenced environmental site assessments do reveal the presence of contaminants on the La Quinta Property, but not contaminants the subject of the pending

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investigation by The United States Environmental Protection Agency (the "EPA") for the Vermiculite Intermountain Site (vermiculite ore/asbestos).

10. To the knowledge of the undersigned, La Quinta's knowledge about previous uses of and environmental conditions at the La Quinta Property at the time La Quinta acquired it consisted only of those uses and conditions identified in the environmental site assessments attached hereto as Exhibit 4.
11. To the knowledge of the undersigned, no.
12. To the knowledge of the undersigned, the following business activities have been conducted on the La Quinta Property since the date acquired by La Quinta:
 - a. Ampco System Parking currently conducts a paid non-attended parking lot business on the La Quinta Property pursuant to its lease with La Quinta (see Response No. 4 above). Ampco System Parking has been conducting its parking lot business on the La Quinta Property since the date acquired by La Quinta.
 - b. The Salt Lake Organizing Committee for the Olympic Winter Games of 2002 used the building located on the La Quinta Property for office and staging activities related to the 2002 Olympic Games from November 1, 2001 until March 20, 2002 pursuant to a Lease Agreement dated November 19, 2001.
13. To the knowledge of the undersigned, La Quinta has made no changes to the La Quinta Property since it acquired it.
14. Until now, to the knowledge of the undersigned, La Quinta was not aware of the hazardous substances at the site that are the subject of the EPA's pending Vermiculite Intermountain Site investigation. Accordingly, La Quinta had not previously taken any steps to stop any release of such hazardous substances or to prevent human or environmental exposure to such hazardous substances on the La Quinta Property. La Quinta was recently advised by the EPA that vermiculite dust appears to have been detected in the vacant building currently located on the La Quinta Property. Upon receiving this information, La Quinta restricted access to that building until La Quinta receives confirmation of that advice from the EPA and the EPA's recommendations regarding those substances.
15. To the knowledge of the undersigned, as indicated in Response No. 14, La Quinta was not previously aware that vermiculite dust/asbestos was on the La Quinta Property. As a result of receiving the environmental site assessments attached as Exhibit 4, La Quinta was aware that the building on the La Quinta Property was constructed with certain non-friable asbestos-containing building materials (flooring tile, joint compound and roofing materials).
16. To the knowledge of the undersigned, La Quinta was not aware of any of the subject vermiculite/asbestos contamination at the La Quinta Property or that someone else so

Subscribed and sworn to me this 2nd day of April, 2004.



Glenda G. Henderson
Glenda G. Henderson, Notary Public
My Commission Expires: 1/22/07
My address is: 5927 Goliad Avenue
Dallas, TX 75206